Rationalisation of Manpower in Steel Industry

1195. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that surplus manpower is one of the major reasons for reduced labour productivity of Indian Steel Industry and stumbling block on the profitability;

(b) if so, what steps are being taken for rationalisation of manpower and with what results; and

(c) to what extent human resource management has helped in enhancing labour productivity?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Among the Public Sector steel companies, surplus manpower is one of the reasons for reduced labour productivity in the Steel Authority of India Limited (SAIL). Manpower related issues of private sector steel companies are not monitored by the Government.

(b) The steps being taken to reduce the strength of manpower of Steel Authority of India Limited (SAIL) include, *inter-alia,* Voluntary Retirement Scheme (VRS), redeployment of manpower from the identified areas and restriction in recruitment. About 6,000 employees availed VR during 1998 and 13,600 employees have opted for VR during 1999.

(c) The labour productivity of SAIL plants/units has steadily increased to 96 ingot tonnes per man year, upto 1997-98. In 1998-99 the labour productivity marginally decreased on account of lesser production based in lower market requirement.

Neutralisation of Input Cost in SAIL

1196. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that inspite of several steps taken, the Steel Authority of India has not been able to neutralize the input cost escalation and boost the morale of investors;

(b) if so, what are the factors behind this; and

(c) what steps are being taken to protect its image of Navaratna?